

chemicals and their precursors, dual-use processing equipment, human, animal and plant pathogens and toxins with potential biological weapons application, and dual-use biological equipment, as that afforded by the Australia Group as of April 25, 1997; and

The Australia Group remains a viable mechanism for limiting the spread of chemical and biological weapons-related materials and technology, and the effectiveness of the Australia Group has not been under-

mined by changes in membership, lack of compliance with common export controls and nonproliferation measures, or the weakening of common controls and nonproliferation measures, in force as of April 25, 1997.

WILLIAM J. CLINTON

The White House,  
April 29, 1998.

NOTE: This letter was released by the Office of the Press Secretary on April 30.

## The President's News Conference *April 30, 1998*

*The President.* Good afternoon. Please sit down. Before I take your questions I'd like to make a few comments on a couple of matters that I believe are essential to the strength of America in the 21st century.

Five years ago we started a new economic course for a new economy, a combined strategy of fiscal discipline, expanded trade, increased investment in education, science, technology, and our people. Today we received more good news than that that strategy is working. The latest economic report shows that in the first quarter of 1998, our economy grew at 4.2 percent. Wages are rising while inflation remains low. This expansion is not fueled by big Government deficits but by booming business investment.

In the first quarter, unemployment was the lowest in 28 years, inflation the lowest in 30 years, consumer confidence at its highest level in 30 years. For 5 years in a row now, our economy has been rated the most competitive in the world.

We are living in an American economic renaissance in which opportunity is abundant, communities are getting stronger, families are more secure and more prosperous. But we cannot allow the hum of our growing prosperity to lull us into complacency.

As estimates of the possible budget surplus expand, so, too, the suggestions that we immediately commit to spending that surplus on tax cuts or new spending. But Americans have worked too hard for too long to put our economic house in order. So I will strongly resist

the use of a single penny of the surplus until we have first saved Social Security for the new century.

Nor can we turn our backs on America's responsibility to lead in the world. We see that, by the way, in the commitment today of the Vice President and Mrs. Gore as they represent our Nation on the occasion of the 50th anniversary of the birth of the State of Israel.

Today, the health of our economy is also deeply affected by what goes on in global affairs and by the health of the global economy. Therefore, I call on Congress to step up to its responsibility and renew our commitment to the International Monetary Fund and to pay our United Nations dues. I am confident we can do this in a bipartisan fashion.

The debate over NATO enlargement has been a model of bipartisan action. I want to thank Senators Lott and Daschle, Senators Helms and Biden for their leadership on this issue. I hope for a strongly positive vote in the Senate later today, because by admitting Poland, Hungary, and the Czech Republic we come even closer than ever to realizing a dream of a generation, a Europe that is united, democratic, and secure for the first time since the rise of nation-states on the European Continent.

At the threshold of the 21st century, we are on the rise at home and abroad. But we have to continue this progress. We have to continue to work if we want economic advances and strong national security. We have to continue

to work if we hope to overcome our divisions at home and work together as one nation.

We can be everything that all of you want us to be and all Americans want us to be. But I want to emphasize, the fact that we are doing well today should not be a source of complacency. It should not be a pretext to drift off into politics as usual or small matters. We need to bear down and deal with the long-term challenges of the country.

Now, to honor my pledge at the White House Correspondents dinner the other night, Helen [Helen Thomas, United Press International], you get the first question.

Q. You may not like it. [Laughter]

The President. I never expected to. [Laughter]

*Monica Lewinsky and the Independent Counsel's Investigation*

Q. Mr. President, in view of a new court ruling, Monica Lewinsky may have to appear before a grand jury. Under the circumstances, do you stand by your previous denials of any relationship with her or that anyone encouraged her to lie?

And while I have the floor, do you think that the special prosecutor has gone beyond the call and is out to get you?

The President. Well, I think modestly observant people are fully capable of drawing their own conclusions to the latter question. And as to the former question, I have answered it repeatedly and have nothing to add to my former answer. I have repeatedly said what the answer to that question is.

Terry [Terence Hunt, Associated Press].

*Stock Market*

Q. Mr. President, Wall Street is back above 9100, and the Dow was up 165 points at 1 o'clock. A lot of Americans are pouring money into the stock market now. Do you think that this stock market bubble is going to burst? Do you think people should be nervous about that?

The President. Now, I didn't comment on it when it dropped a lot. [Laughter] And I don't think I should now.

Let me say, there is a lot of speculation about that, as you know. The London Economist ran a whole series on it, I think either this last edition or the one before that. We have a very productive economy with high growth and low interest rates. Also, the fact that there is a down-

turn in many Asian economies I think has created some investment capital that normally might have gone somewhere else that may be coming back into our country. And that would tend to drive the stock market up.

I think that what's important here is for all informed people—the stock market analysts, the people on Wall Street, Mr. Greenspan, whom I think has done quite a fine job over the last 5 years in managing his part of our economy—all of us need to just sort of talk about what the fundamentals are, what the facts are, and if there are any reasons for caution, then they ought to put them out there. But I think that to date you would have to say that most of what has happened has been spurred by the hard work and the productivity of American workers and American businesses and other developments around the world over which we Americans had no control.

But I'm encouraged by the underlying fundamentals, and what I hope will happen is that we can avoid any kind of big swings in the market one way or the other by just steady, slow—maybe not so slow but, at least, steady growth. And I think if we all just get all the facts out there to the investors, it's likely to come out all right.

Q. You're not nervous about where it's going?

The President. Well, I'd rather it be going up than down—[laughter]—in any big sense. But I think that you have to—I mean, even when it dropped a lot—you remember a couple years ago when we had that big drop—I wasn't terribly worried because I thought it was a correction based on the judgment of the people in the market, because our underlying economy was healthy and our financial system was honest and secure and had integrity and we had strategies for continuing long-term growth.

So I think that's what I'd like to say. It's impossible for me to predict the market, impossible for anyone to, or to characterize it. I'd just say the economists have a word called "transparency" that they use all the time that I think is the appropriate thing here. I think it's in the national interest for all actual and potential investors to have as much information as possible about how we're doing, where we're going, and what their investment options are. And then I think the markets will go up and down, they'll change.

But I'm pleased with the success of the market. I do understand the bubble theory. I think

the best way to avoid having a big bubble that some day pops is to make sure that we have open information about where we are right now, and the progress of the market is pretty well tied to the real progress of the economy.

Steve [Steve Holland, Reuters].

#### *Iraq*

Q. Thank you. Mr. President, the Pentagon said this week you're expected to decide whether to reduce U.S. forces in the Gulf soon. Has Baghdad made sufficient progress on allowing weapons inspections to permit a reduction in force? And if so, will we see an ending of the sanctions against Iraq?

*The President.* Well, those are two very different questions. Let me say, first of all, we are encouraged by the level of compliance so far with the U.N. inspections and by the evidence that has been adduced on the nuclear side that more progress has been made. And I believe we've already issued a statement that we believe that if Baghdad will continue to work with us, that by October the U.N. may well be able to certify that they are actually in compliance on the nuclear side, and they can go from the inspection to the monitoring phase. Keep in mind, even under the agreements, the U.N. resolutions, no matter what is found out in any of these areas, there will still be a monitoring regime there.

Our position on lifting the sanctions is that the U.N. resolutions have to be complied with completely, and then we'd vote to lift the sanctions. So this is just the nuclear piece. But I am encouraged by that.

Now, on the question of reducing our military presence in the Gulf, I would wait for a recommendation from the Pentagon with involvement from the State Department and the NSC on that. That is, we have a certain number of carrier groups and a certain number of assets to deploy at sea. They have to be trained; they also need to be deployed in different places for different reasons. So, inevitably, unless we believe there is some reason for it to be there at some point in the future, I would anticipate some reallocation of our resources. But I have not received a recommendation on that yet by the Defense Department.

Sam [Sam Donaldson, ABC News].

#### *Presidential Standards*

Q. Mr. President, quite a few Americans seem to believe it doesn't matter what you may have done in private moments, that that's between you and your wife. And some are saying it doesn't even matter if you've broken the law, obstructed justice, or committed perjury. Now, you deny wrongdoing, I understand. But as a standard for Presidents, what do you think: Does it matter what you do in private moments, as alleged? And particularly, does it matter if you have committed perjury or in other sense broken the law?

*The President.* Well, since I have answered the underlying questions, I really believe it's important for me not to say any more about this. I think that I'm, in some ways, the last person who needs to be having a national conversation about this. What I'm trying to—

Q. But you're the leader.

*The President.* I may be the leader, but my job as leader is to lead the country and to deal with the great public issues facing the country, and to prove Justice Scalia right when he said that nothing that could be done to me in a legal way would in any way affect my job as President; it would just be one of those things; and I could go right on and do my job. And I'm going to do my best to prove him correct by doing the public's business—

Q. So you can't even say whether Presidents ought to obey the law?

Q. Mr. President, I hate to beat a dead horse, but let me just follow that up—

*The President.* No, you don't. [Laughter]

#### *White House Response to Independent Counsel's Investigation*

Q. Ken Starr supporters make the case that he could be wrapping up his investigation except for the delaying tactics put forward by your lawyers, your aides—specifically, the privilege assertions, denying the Secret Service the right to testify, denying some of your aides the right to testify, denying the First Lady the right to answer certain questions because of these privileged questions. And a lot of Americans are having a hard time understanding—why assert privilege if there's nothing to hide?

*The President.* First of all, you've asked three questions; let me deal with them.

On the First Lady's testimony, Mr. Kendall's response blows what they said out of the water

better than anything I could say, and amounts to a “shame on them” for saying that.

Secondly, with regard to the Secret Service, I literally have had no involvement in that decision whatever. That is a decision that they have made based on what they believe—the position they’ve taken is a position they’ve taken based on what they believe is best for the institution of the Presidency. And the court will just have to evaluate their arguments and make a judgment.

Now, thirdly, on the claims of executive privilege, I cannot comment on those matters because they are under seal. However, as you know, we have suggested to the court that the pleadings and the briefs be made public, be open to public inspection, so that you and the American people could evaluate the specific executive privilege issues and whether you believe they’re valid or not. But I can’t talk about them. Our side has tried to honor all these court orders, and I want to continue to honor it. We’ve asked—it’s under seal. I can’t discuss it.

But I will do my best to deal with this in an appropriate way. And if the court changes the rules, I hope that we’ll be able to release the pleadings and the briefs so that all of you can see what this is about and draw your own conclusions and then ask questions about it.

Trudy [Trudy Feldman, Trans Features].

#### *Russia and the Middle East Peace Process*

Q. What do you think is the strategy in the Russian state toward the Middle East at this point? And what are you expecting from the London talks next week? Is there a Russian strategy?

*The President.* I believe there is. I believe that basically what the Russians would like to do is to have an influence in a critical region of the world. And they have been, after all, cosponsors of the peace process with the United States since a period before I became President. It goes back to the first Madrid Conference in ’92.

Will we always agree with every position they take? No, we won’t. But the Russians have pledged to cooperate with us to minimize and hopefully eliminate weapons transfers and component part transfers and things like that that should not go into explosive environments in the Middle East, and we are going to keep working with them to see that we achieve that goal.

Now, in terms of the London conference, I hope that after Secretary Albright meets with Mr. Netanyahu and Mr. Arafat that we will have the elements of an agreement which will get the parties into final status talks. You all pretty well know what the parameters are. There is still no agreement on how much of a redeployment should be undertaken by the Israelis from the West Bank in this next phase. But they are much closer than they were just a couple of weeks ago—much, much closer. And there are some other issues that may be able to be worked out around that that might still enable us to make an agreement.

I think what both of them are going to have to decide is whether or not they believe that they’re better off waiting or each side giving a little more to get to a final status talks.

Now, keep in mind, this is not a final peace agreement. We are arguing over the dimensions of a step which is part of the Oslo agreement designed to get the parties in the final status talks which are supposed to be over a year from now—I think May of ’99 is when they’re supposed to end. So what the parties have got to make up their mind about is do they want to roll the dice—because, believe me, in the nature of all these agreements, the most principled compromise will leave both sides dissatisfied, by definition. That’s the way—if peace agreements were easy they’d all be done already.

So the most principled compromise will leave both sides dissatisfied. What they have to decide is, do they want to roll the dice—do they really want to gamble on 6 more months of basically everything in suspended animation? Do they really believe it will be better then? Do they really believe it will be better in another year? What happens when the timetable runs out on the Oslo Accord? Will we be closer to peace?

I think the answer is manifestly no. And so I’m hoping and praying that we’ll be able to get something positive out of the London accords.

Yes, ma’am. Go ahead.

#### *Stock Market*

Q. Mr. President, I’m Evelyn Y. Davis, editor of “Highlights and Lowlights.” About the stock market—and this is the middle of the stockholder meeting season—with the market being dangerously high, and the SEC favoring institutional investors, and mutual funds are not required to have adequate cash reserves, and these

recent circuit breakers instituted by the New York Stock Exchange are mostly for the benefit of institutional investors—what is the administration going to do to protect small investors, people who have maybe like 100 or 200 or 500 shares of stocks in the markets, from the forthcoming bear markets? And we all know what has to go up has to go down.

*The President.* That's true, but it's also true that over time the trend has been up. And over any long-term period, the market has outperformed Government securities. I do believe that the SEC has a responsibility to enforce the laws that are on the books, but the SEC cannot repeal the rules of the market, going up or down, for any single class of investors. And I am unaware of any specific thing that they've been asked to do over and above this.

Claire [Claire Shipman, NBC].

*Legal Fees Resulting From Independent Counsel's Investigation*

*Q.* Mr. President, whatever you may think about all of these ongoing investigations of your administration, they certainly have pulled in a lot of your friends and employees and acquaintances, people who have had to appear before the grand jury. A number of times, a lot of people—like Betty Currie, for example, who built up large legal fees. And I wonder, do you feel in any way personally responsible? And do you still intend, as you mentioned in 1996 in an interview, once you're out of office to help out with those legal fees?

*The President.* Yes, if I can figure out a way to do it, I will. I feel terrible about—there are all these people who have been hauled through this, who under the governing statute can never get their legal bills reimbursed, so that you have—the Independent Counsel not only has an unlimited budget and can go on forever—10, 20, 30, 40, 50 years, spend \$40 million today, \$100 million tomorrow—they can take—you're laughing, but we still have one from the mid-eighties in effect and—although it's not active. But in this case, we had this Resolution Trust Corporation report 2 years ago which exhaustively reviewed every issue relevant to White-water, and it didn't have any effect. The thing just went on and on and on.

So more and more people get called in, and they spend money they don't have for legal fees that they can't afford. And they're never targets of investigation; therefore, they're not subject

to any reimbursement. And I feel terrible about it. If I can think of something to do about it, I will.

*Q.* Are you responsible for that at all, yourself? I mean, is that a personal—

*The President.* No, if there's one person in the world I'm not responsible for, it's Mr. Starr. I think all of you would admit that—and his behavior and what he and Mr. Ewing and the others have decided to do. I don't think there's any American who believes I'm responsible for them.

*Tobacco Legislation*

*Q.* Mr. President, turning to tobacco for a moment, the House Republican leadership apparently has rejected Congressman Bliley's presentation of a compromise tobacco deal. What state do you think the tobacco compromise is in now? Are the Republicans in the pocket of big tobacco, and will this have to be fought out in the November elections?

*The President.* I certainly hope not. For one thing, Mr. Bliley is a conservative Republican from Virginia, a tobacco-growing State. Mr. Waxman is a liberal Democrat who's got a great reputation for protecting the public health. The fact that they reached an agreement should have been some basis of going forward. And all I can tell you is I'm heartened by what's happening in the Senate, where we got an almost unanimous vote—just missed it by one vote—out of the committee in the Senate for the bill sponsored by Senator McCain and others. And we are going to work ahead.

I just don't think we can afford to let politics get in the way of this. I mean, the news report was that some people who were going to go along with this don't think they have to now because they think they found some political way to avoid it. I think that's a terrible way to look at this. The only thing that matters is 3,000 kids a day start smoking, even though it's illegal to sell cigarettes to kids; 1,000 of them a day will die sooner because of it. That is the only thing that matters. And we know that there are strategies which will save their lives.

I do not want this to be an issue in the November election. Let me say this again: I do not want this to be an issue in the November election. If it is an issue in the November election, it will only be because those people who have a political or a financial interest in seeing

that this matter is not resolved between now and November prevent it from being resolved. The worst thing in the world would be to play politics with our children's health. I'm not going to do it, and I hope no one else will.

Peter [Peter Maer, NBC Mutual Radio].

*President's Response to Questions of Character*

Q. Mr. President, aside from the legal questions that you face both here and in the courts, Republicans have been notching up questions about your moral authority. How important is moral authority to you as you deal with questions like tobacco and drugs? What effect do you think this whole wave of controversies has had on your moral authority? And what kind of moral authority do you think the Republican critics have?

*The President.* Well, let me say, if I were to answer them in kind, I might be able to damage their reputation, which they might be able to do to me, but I could have no effect on their character, just as they can have none on mine. And therefore, I think if I were to answer them in kind, it would be more of a reflection on my character than on their reputation.

I believe that it's very important for the President to be able to stand up for the values of the American people, collectively, and for communities and for families and for individuals. And I think this administration has a good record, and I believe I have a good record of standing up for the things that will help us to raise our children stronger and keep our families stronger and make our country stronger. At least I have done my best.

These things are distracting, and we live in a time where they are more prominent than they have been at most times in our country's history, although not at all times. And I deal with them the very best I can. But I do not think the right thing for me to do is to respond in kind. The right thing for me to do is to let others defend me as best they can and to go on and worry about the American people.

Go ahead.

*Tobacco Industry Political Contributions*

Q. I have a question about tobacco.

*The President.* Jackie, you can go next.

Q. I'm sorry.

*The President.* No, go ahead, Mara [Mara Liasson, National Public Radio].

Q. I've got the floor. I don't want to give it up. [Laughter]

*The President.* Good for you.

Q. I'm wondering if you are ready to tell the DNC and the two Democratic congressional campaign committees to stop taking campaign contributions from the tobacco companies.

*The President.* Well, it was my understanding that the DNC did not.

Q. Well, that's not exactly correct. There is still some tobacco money—

*The President.* It was my understanding that the DNC was not taking tobacco money—

Q. [Inaudible]—the congressional committees.

*The President.* Well, I don't tell them what to do. Congress is an independent body, as we see, and the House and the Senate committees will have to do whatever they're going to do. I have had a chance to set the policy for the Democratic National Committee. If it's being violated, I will check on it. But I think we're doing the right thing. It's legal for those people to contribute if they want. But I think until we get this matter resolved of the teen smoking, I think it would be better if none of us did. But it's up to them to decide what to do.

Kathy [Kathy Kiely, Houston Post].

*Independent Counsel's Investigation*

Q. Mr. President, there are some questions that have arisen because of Mr. Starr's investigation that both you and your staff have admitted are legitimate questions, but that you don't feel you're able to answer while his investigation is ongoing. Now that he's said that the end is not near, are you willing to live with these questions hanging over you for the rest of your administration?

*The President.* Absolutely.

Q. Does that mean, sir, that you would leave these waiting, that you're not prepared to sit down and—

*The President.* It means that I think every American who has observed the conduct of the Independent Counsel would expect me to follow the advice of my counsel. And that's what I intend to do.

Q. Secondly, sir, if you believe that Ken Starr is running, as you've indicated, a partisan vendetta, and especially if you think he's wasting taxpayer money, as you've suggested here, why not ask Attorney General Reno to remove him?

*The President.* That would not be an appropriate thing for me to do.

*Congress and the Legislative Agenda*

Q. Mr. President, you and your aides have been insisting for quite some time now that you're able to remain focused on the business of the country and do your work despite what's going on. But House Speaker Gingrich is making it increasingly clear that unless there's some more cooperation, some more forthcoming on your administration's part, that your agenda on the Hill is going to be stalled. I wonder if there comes a point where you feel it's your responsibility to provide some more cooperation so that some work can get done for the American people.

*The President.* Oh, I don't think anyone really seriously believes that's what the last 3 or 4 days have been about. They've been about politics. And I'm not going to let—I can be responsible for a lot of things, but I'm not responsible for the Speaker's behavior. Neither, however, will I respond to it. Nothing he says about me personally—nothing—will keep me from working with him and with other Republicans in the Congress to do everything I possibly can on every issue before us.

There is nothing that he can say about me for whatever reason that will affect my willingness to sit down with him and others and work for the benefit of this country. So it's not going to get in my way. It is simply not. I am not going to permit it to happen.

Now, I will tell you this: The only thing he said recently that really bothered me was when he said that he thought that tobacco advertising basically had no impact on whether children decided to smoke or not. I simply disagree with that. I think there are other reasons, but I think that was wrong. And that's something that affects other people's lives. That's not Washington politics.

But you know, whatever people say, let them go. I've got to do my job. And I will still welcome them to the White House, and we will do our job for the American people because that's what I'm supposed to do.

Bill [Bill Plante, CBS News]. And Jackie [Jackie Calmes, Wall Street Journal].

*Campaign Finance Reform*

Q. Mr. President, speaking of issues, is there any reason to take seriously a promise from any politician of either party for campaign finance reform, to regard it as anything other than lip

service, when by actually voting for campaign finance reform in a way that would cause the bill to pass, they'd be facilitating challenges to themselves? Do you believe that this is really possible?

*The President.* Oh, yes.

Q. And why would anybody do it?

*The President.* Well, I believe it's really possible because I think a lot of politicians know that the cost of campaigns and advertising, particularly—and particularly television advertising—has gotten so expensive that they're spending all their time raising money. And it's wearing them out, and it makes them—some of them, at least—I think very few people really are terribly compromised and wind up voting in ways different than they would otherwise vote, but I think they know it raises all kinds of questions they wish it didn't raise. And I think most people in public life would love to do it.

But as I have said before, since the Republicans now have a majority in Congress, it is more difficult for them because they raise more large money, more total money, more foreign money—they raise more money in all these categories that people have raised objections to, so it is harder for them. But even among the Republican ranks, a lot of people I think genuinely want to do it. And I think that we're just going to keep working and try to get it done.

Yes. You never got your question, did you? Go ahead, I'm sorry.

*Congress and the Legislative Agenda*

Q. Mr. President, given the questions about your moral authority this week, together with the trouble for the tobacco bill and IMF funding, is this going to be looked on back as the week where the era of bipartisanship between you and congressional leaders ended? And if not, what are you going to do to revive things so you can get something done?

*The President.* Well, I don't think so. We're having some problems over the tobacco issue, but keep in mind—because of the stuff that's coming out of the House, which I don't really know how to assess—but keep in mind, we have a bill slated to go to the floor of the Senate that passed, I believe, 19 to 1. And therefore, the Senate is moving forward.

Look at the funding for the International Monetary Fund, which is very critical to our

long-term economic stability. It passed the Senate 86 to 14, total bipartisan support. So—they're voting on NATO today; I expect it to be a bipartisan vote. And they'll be—and by the way, the opposition will be bipartisan, too. So I don't think a few days of high-level static in the House of Representatives, which may have more to do with their affairs than with the rest of us—I don't pretend to understand it all—I don't think that should make us believe the era of bipartisan Government is over.

If they—if the American people will send them a clear signal and they conclude it's in their interest to work with me and work with the Republicans and the Democrats in the Senate and all of us that are working together to do it, then I think that's what will happen. It's a question of what they conclude is in their interest. And I don't understand it entirely, but I'm going to keep working to get it done.

Q. [*Inaudible*]*—*money, how do you pay for all your initiatives, and if the Republicans instead used the money for a tax cut, would you veto the tax cut?

*The President.* Well, let me back up and say most of my initiatives, the Federal part of most of my initiatives are paid for by nontobacco sources. I believe—I believe, and I think they disagree with me, and we can argue that out in the future—that could be a subject for the coming election—that if we give them back a whole lot of money that they have already spent on Medicare—Medicaid—if they get money back from the Federal Government as a result of this settlement and especially if they get more than they anticipated getting under the original attorney generals' agreement, I think, it is appropriate for us to say you ought to spend this on children. And the best way to spend it on children is on child care and education—early childhood education—getting down to small classes in the early grades, because we had the biggest increase in child health in 35 years in the balanced budget agreement last year.

So I think that's an appropriate thing to do. If they disagree with me, then we can argue about that. But I would never stand in the way of a tobacco bill that actually reduced childhood smoking because they disagreed with me about how to invest the money. But I would expect a bill to actually help our kids.

Okay, you guys. Jacobo [Jacobo Goldstein, CNN Radio Noticias], go ahead.

#### *Cuba/Fast-Track Trading Authority*

Q. You have just returned from Santiago, where you attended the second Summit of the Americas. Many of the hemispheric leaders told you or made public their belief that the U.S. embargo is not working against Cuba; it has brought about no democratic changes. Prime Minister Jean Chretien has just visited Cuba. President Castro used the opportunity welcoming him to say that the U.S. had committed war crimes against the Cuban people and should be judged in an international court for that embargo. My question is, sir, do you believe the embargo is working?

And number two, you promised the leaders in Santiago you would work to get fast track. With the economy doing so well, isn't this a good time to start pushing Congress?

Thank you.

*The President.* Well, the answer to the second question is it's probably not the best time because it is even closer to the election, and for reasons that I disagree with, a lot of Members of Congress—and most of them in my own party—think that it's not a good thing to do politically. I think it is imperative for our future, and I will continue to try to pass it. But I don't think this is a good time right now.

What was the other question?

Q. Castro—the Cuban embargo.

*The President.* Oh, the Cuban embargo. On the Cuban embargo, I think that it has been useful, but I also believe that we should do more to minimize the damage to the Cuban people—which is why, after the Pope's visit, I relaxed a lot of the restrictions on the transfer of food and medicine and on travel there, in an attempt not only to help and strengthen the Cuban people but also to strengthen the church and other institutions of society, in the hope that there can be a transition to a more open, freer place. And I'm still hoping for that.

Go ahead, Mark [Mark Knoller, CBS Radio].

#### *U.S. Secret Service and Confidentiality*

Q. Mr. President, back on the Secret Service, if I can. It argues that if its agents and officers were to cooperate with Independent Counsel Ken Starr, that it would cause you to keep them at a distance. Is that true, sir? Would it change the nature of your relationship with the Secret Service detail if they were to cooperate with the Independent Counsel?



*The President.* I think what it argues is—what the Secret Service argues is that the institution of the Presidency would be affected because the President, for example, would feel that conversations in the limousine going to and from places and other things that he might do in the future that have every right to be kept confidential would be subject to questioning. And even if there was nothing unlawful about them, they would then be leaked, even if leaking is illegal. And certainly, they have lots of evidence to support that worry.

I mean, as I understand it, that's their argument. However, I have had no conversations with them about it. And I think, again, I should not comment on it. They are making a case about the institution of the Presidency. President Bush has said that he agrees with them, and you might ask other former Presidents what they think. But it's the—the Secret Service has made this decision on its own; I am not involved with it. And I think that that's the way it ought to stay.

Mr. Cannon [Carl Cannon, Baltimore Sun].

#### *Clemency*

Q. Mr. President, earlier you spoke about the hardship of people who had to get lawyers and spend money who have done nothing wrong and are not even being targeted with an investigation. My question is about people who have been targeted. I'm asking how far along are you in your thinking about possible pardons for people who you think have been wrapped up in an investigation that they never would have even been—they never even would have come across any prosecutor's radar screen if you—

*The President.* No one has asked me for one and there's been no discussion about it.

#### *Tobacco Industry Role in Legislation*

Q. President Clinton, I wanted to talk to you about politics and the tobacco legislation. Specifically, one way you could take the politics out of the tobacco legislation is by embracing the tobacco industry and inviting them back into the process. Do you have any intention of doing that, and are there any plans for some sort of tobacco summit?

*The President.* Well, first of all, they walked away. We didn't drive them out. I was—the first I knew about them leaving was when they called a press conference and said they were leaving. I thought they were negotiating with

the Congress. We were trying to negotiate with the Congress. We had—the only vehicle you have is when the leader, in this case the leader of the Senate, signed—Senator McCain's committee, the jurisdiction over the committee—he got together with Democrats and Republicans on the committee. They put together a bill, and it was voted out. They said they didn't like the bill, thought it was going to get worse, and they were walking away. And then they started running their television ads. And that's all I know.

So I would hope that before this is over they would come back and rejoin the negotiations. I think it would be better if they were at the table. And as you know, at least at the edges there's some questions about the Government's ability to impose certain restrictions on advertising unless it is done in a consent agreement with their participation. So I would like to see them a part of this.

Scott, [Scott Pelley, CBS News] go ahead.

Q. Mr. President—

*The President.* I'm working, Sarah [Sarah McClendon, McClendon News Service]. I'll get there. Be patient.

#### *Monica Lewinsky*

Q. Thank you, Mr. President. You suggested at the beginning of this news conference, sir, that you've answered the questions about Monica Lewinsky. But respectfully, there has been no explanation for her dozens of visits to the White House after her employment here ended; no explanation for the Secret Service concern about her behavior in the West Wing; no explanation about the extraordinary effort by your secretary and your closest friends to find her a job. Sir, could you now give us some better sense of what appears to be an extraordinary relationship that you had with this woman, and fulfill your promise to the American people of more, rather than less, sooner rather than later?

*The President.* Well, first of all, you have more information than you did when I said that, and secondly, I have nothing else to say. I have been advised—and I think it's good advice under the circumstances—but I just don't have anything else to say about that.

Q. Are you in legal jeopardy, sir?

*Sidney Blumenthal and Hickman Ewing*

Q. Mr. President, your adviser Sidney Blumenthal last week called Ken Starr's deputy, Hickman Ewing, a religious fanatic who has proclaimed that he operates from a presumption of guilt. Sir, I want to ask you if that's an appropriate comment, if you agree with it, and if you agree with Mr. Blumenthal's assertion that Starr is abusing, not just using, his office in an effort to destroy your Presidency?

*The President.* I don't have any comment about that. I believe there was an article on Mr. Ewing in the New Yorker in which he made some comment about his presumption of guilt, and you can just—his words ought to stand or fall. Nobody else should be able to characterize them.

Go ahead, Mr. Bennett [James Bennett, New York Times]. And then Sarah. And then John [John Harris, Washington Post].

*President's Response to Questions of Character*

Q. In light of your comments before about character, Mr. President, I'd like to ask you about a divergence we've seen in the polls recently. Public polls have suggested that the strong majority still approves of the job you're doing as President. The majority no longer feels that you share their moral values, and they say that they no longer respect you as a person. I wonder if you find that distressing and how you account for it?

*The President.* Well, I don't think it's hard to account for. It's been part of a strategy that's—it goes all the way back to 1991. And—but it used to distress me greatly; it doesn't anymore.

You know, I will say again, all these people that have been working hard on this for 7 years now. They can affect my reputation; they can do nothing, for good or ill, to affect my character. Unfortunately, they can't make it any better either. They can't make it any better; they can't make it any worse. They can't have an impact on it.

And it's obvious, I think, to the American people that this has been a hard, well-financed, vigorous effort over a long period of time by people who could not contest the ideas that I brought to the table, couldn't even contest the values behind the ideas that I brought to the table, and certainly can't quarrel with the consequences and the results of my service, and

therefore, personal attack seems legitimate. I have never done that in my public life. I don't believe in it, and I'm not going to participate in it. But all I can do—I can't say—I can't get in an argument with the American people about this. All I can do is show up for work every day and do the very best I can. That's what I did today, and that's what I intend to do tomorrow.

*China*

Q. Mr. President, it looks as if you're getting ready to sign an agreement with China which will give them help and some of our secrets, and not just be a friendly thing. Would you sign this without the American people having had wide discussion over this and debate—don't you need approval of Congress? Would you just go ahead and sign this? Because after all, that's one of our greatest enemies is China.

*The President.* Well, Sarah, I'm not sure I know the specific issue you're referring to, but I would not make any agreements with China in secret, and they would be subject to the knowledge of the Congress and the debate of the American people. We are trying to get to a point where we can work more closely with them and where they cooperate more closely with us. So we're trying to build the same kind of world in the future and not a very different kind of world. And I hope we'll get there.

Yes, John, go ahead.

*Independent Counsel's Investigation*

Q. Mr. President, there have been reports—news reports that the Independent Counsel has invited you to voluntarily answer questions about the Lewinsky matter, but so far you haven't committed to an interview. Are those reports true, and would you commit to answering questions that he has, or do you believe that he's simply too biased in his investigation and, therefore, you don't have an obligation?

*The President.* I don't have anything to say about that. All my interactions with him, Mr. Kendall speaks for me, and I just have nothing to say.

Go ahead, Bill [William Douglas, Newsday]. Bill and then April [April Ryan, American Urban Radio Networks].

*President's Initiative on Race*

Q. Recently, some conservatives who you met with at the White House in December said that

they feel that your race initiative has not been inclusive, and they're embarking on their own race initiative. Do you agree with their assessment? And also, the year for your initiative is drawing to a close rapidly. Do you foresee extending that period?

*The President.* Well, first of all, I guess you're referring to Mr. Connerly and Ms. Thernstrom, and I'm glad if they want to spark a debate. But I did invite them here to be part of our discussion, and I invited other conservatives who were not able to come. And I've done what I could to broaden this debate in many ways and not just to those who claim a special stake in it. What we did on ESPN I thought was in some ways one of the more interesting things that has occurred in the last year.

So I welcome any kind of organized discussion. Today we've got about 40 Governors and the YWCA announcing that all over the country they're going to be engaging in these kinds of discussions. I think all of this is to the good, not bad. So I would encourage people who disagree with me about all these issues to seek out people who are different from them and get into the debate and the dialog and talk it through.

Now, as we come down to this year, to be perfectly candid, I have not made a decision about how best to carry forward this. But in some form or fashion we have to carry this forward, because what I'm trying to do is to get people to think about our racial diversity as an enormous asset for America in the 21st century if we become more of one nation as a result of it.

So we have—for example, I've got a lot of legislative proposals on the table which are critical to this: our whole empowerment zone, more community development banks, all the things we're doing to try to close the opportunity gaps in our inner cities and our rural areas; the EEOC budget, which, to go back to one former question, I believe the Speaker is committed to support, which will be very good, to clear out this huge backlog in discrimination cases before the Federal Government. There are lots of specific things we still have to do, as well as other avenues of dialog that I think need to be explored.

April.

*National Drug Control Policy Director Barry McCaffrey*

*Q.* Mr. President, General Barry McCaffrey is in the midst of controversy over the needle exchange program, as well as a personality conflict. Mr. President, what are your words to General McCaffrey's detractors, especially those in your Cabinet, your administration, and those Democrats in the CBC that are joining Newt Gingrich to get McCaffrey out of the drug czar's office?

*The President.* Well, first of all, I think we ought to look at his record. I think he's got quite a commendable record. We have more than double—we've had a strategy that was as follows with the drug issue: one, to try to help parents teach their children that drugs are wrong and illegal and can kill you; two, to try to support local law enforcement efforts and local community efforts at not only punishment but prevention; three, to try to increase our capacity to stop drugs from coming in at the border. We more than doubled border guards, for example, from 3,000 to 6,000. We've got another 1,000 coming in this budget. We've got a fund set aside in the highway bill to increase the technological capacity of the Government to stop drugs coming in at the border.

And General McCaffrey has been behind a lot of that. He's also done enormous work with the supply countries and Latin America, trying to get them to work with us. And he's made some real headway. He's one of the reasons we've got this alliance against drugs at the last Summit of the Americas. He supported huge increases in funding for treatment and for testing and treatment for inmates not only in Federal but in State and local penitentiaries. So I think he's got a good record.

Now, he believes that the benefits of needle exchange are uncertain and that the message you send out is not good, that somehow the Government is empowering drug use. There are people all over the country who agree with that. Now, the weight of medical research and the American Medical Association has a different view. Their view is that it may help to lower the transmission of HIV, and there is no evidence that it increases drug use.

I think—if I might, I mean, that's the next logical question, why did we make the decision we did—because the weight of scientific evidence was what I just said. But if you look

at it, it's clear: If you go all across the American cities or go to Vancouver, Canada, anyplace where they've had a needle exchange program where there has been serious testing, the only place it really works to reduce HIV transmission and to reduce drug use is when the people who come in to exchange needles get pulled into treatment programs.

So the real issue is, will there be more funds for treatment? And that's obviously—I'm getting as much money out there as I can, but that's why I think it should remain a local decision and why I made the decision I did and why I'd like to see this controversy put behind us, because I think in a way, in terms of impact on people, it has been—there has been more heat than light on it.

#### *NATO Expansion and Hungary's Economy*

Q. Thank you, Mr. President. This is for Hungarian national television—[inaudible]. What is your message, sir, to those nations, particularly to Hungarians, millions of them living below the poverty line? I mean the Hungarian poverty line. Will they be better off by joining a military alliance? Some critics here say that this is like putting the cart before the horse. Military comes first; economic integration just second. What's your take on that?

Thank you.

*The President.* Well, first, I think it's a very legitimate question. It is a legitimate question. It's a question that bothered me, for example, when some other countries not nearly as prosperous as Hungary were asking to be considered for NATO membership. For the United States and for other NATO members, we have to trust the elected representatives of the countries involved—in this case, Hungary, Poland, and the Czech Republic—to make the right decision on that.

My view is, if it can be afforded—for Hungary, Poland, and the Czech Republic—if it can be afforded, consistent with a commitment to economic growth and benefits preserving the social contract for the people, it will be good economically over the long run for Hungary, because it will tie Hungary more closely to the emerging global economy of democracies, it will identify Hungary even more clearly as a responsible nation capable of helping NATO solve other peacekeeping problems, and it will remove any lingering questions, however rational or not, about Hungary's security. So I think it will be

good for the economy over the long run if it could be managed now.

George [George Condon, Copley News Service].

#### *President's Response to Questions of Character*

Q. Following up on Peter's earlier question, to what degree do you believe that a President, any President, is a role model in his private behavior? And does that not justify questions about private behavior that might otherwise be considered intrusive?

*The President.* Well, those are questions that you need to ask and answer without my involvement for the simple reason that our consensus about that over time has been—it's changed dramatically, first of all. Secondly, there is a difference between the question you asked and the exact nature of what's happened here over the last 5½ years, which I am sure you appreciate.

#### *Cuba*

Q. Mr. President, as President of the United States, the country leader to defend democracy in the world, are you ready to accept a democratic vote by the majority of the members of the OAS to reinstate Cuba as an active member of the inter-American system? If not, why not?

*The President.* No, and because just last year, the OAS voted to kick anybody out who abandoned democracy. So we would look completely hypocritical if we said, "Here's the set of rules we have for all of our members; if you abandon democracy you're out of here. But we feel so terrible that Cuba has been under this dictatorship for 40 years and has been outside the OAS that we think we'll bring them in here."

First of all, I think it's hypocritical. Secondly, I don't believe that democracy has been in effect and is secure enough from the enormous pressures that are on a lot of these countries to guarantee that we can preserve it if we were to make that sort of mistake.

Now, other countries in the OAS in the Americas are perfectly free to disagree with our position on Cuba. For example, the Canadian Prime Minister—one of you just asked a question—just went to Cuba. But I think when he was there, he was also pressing for democracy and human rights. We can have differences in our approach to the same goal, and I wouldn't criticize that. But I think to open up the OAS or the Summit of the Americas process to a

nondemocratic nation, in my view, would be a big mistake.

This country stands for freedom and democracy. We're fighting like crazy to preserve it in countries where it is very difficult to do so, where people literally put their lives on the line every day for freedom. And when people are out there risking their lives, we ought not to send the wrong signal about how important that is to us.

Thank you.

NOTE: The President's 157th news conference began at 2 p.m. in the East Room at the White House. In his remarks, he referred to one of his private attorneys, David E. Kendall; Prime Minister Binyamin Netanyahu of Israel; Chairman Yasser Arafat of the Palestinian Authority; Independent Counsel Kenneth Starr and Deputy Independent Counsel W. Hickman Ewing, Jr.; Abigail Thernstrom, senior fellow, Manhattan Institute; Ward Connerly, chairman, American Civil Rights Institute; and Prime Minister Jean Chretien of Canada.

## Statement on Senate Ratification of the Protocols of Accession to NATO for Poland, Hungary, and the Czech Republic

*April 30, 1998*

I am delighted that the Senate voted by an overwhelming margin to admit Poland, Hungary, and the Czech Republic into NATO. This vote is a major milestone on the road to an undivided, democratic, and peaceful Europe. The addition of these three democracies to our alliance will strengthen NATO, expand the zone of stability in Europe and reduce the chances American men and women will ever again be called into Europe's fields of battle. The message this vote sends is clear: American support for NATO is firm; our leadership for security on both sides of the Atlantic is strong; and there

is a solid, bipartisan foundation for an active U.S. role in the world.

I want to pay tribute to the indispensable efforts of the many leaders from both parties who brought us to this day, starting with Majority Leader Lott and Minority Leader Daschle. This vote stands in the tradition of Harry Truman, George Marshall, and Arthur Vandenberg and the other giants who kept America engaged in the world after World War II and were present at NATO's creation. Their lesson then is our lesson tonight—that our strength lies in a foreign policy guided by the interests and values that unite us as Americans.

## Remarks at a Roundtable Discussion With Employees of Therma, Inc., in San Jose, California

*May 1, 1998*

*The President.* Thank you very much. I want to thank Joe and Nicki for welcoming me here. I want to thank Dan Kirby for the tour through the operations. He did a great job. Thanks to Congresswoman Zoe Lofgren and Mayor Susan Hammer, my good friends, for joining me here today. I thank the labor leaders that are here, Amy Dean, Ray Lancaster, Mark Van Den Heuvel, Steve Preminger. But most of all, I thank all of you for giving me a chance to leave

Washington and come out and visit the real world. It's great. Thank you very much.

Before I say a little more about why I came here today, I'd like to make a brief comment on something very important to your future that did happen in Washington, DC, late last night. Last night an overwhelming bipartisan majority of 80 Members of the United States Senate voted for a treaty that will permit us to bring Poland, Hungary, and the Czech Republic into the NATO military alliance.